G R S App [illegible] IX-4]

1943-44 TL File No 101-43

Previous References (TL) Serial Nos 19+20

Later References
2-2246/me-107-45-14, 15-2 21-9-45

GENERAL AND REVENUE SECRETARIAT

Serial Nos 2

Part B for Feb 44

SUBJECT

Civil taxes on railway building in Bangalore

To file civil commns B City thro' the Pdt.
re Secy's of 15 Jan '44

Issues certain instructions

Letter no A 83 d 19-7-43 from the G^m^ M & S Ry re municipal taxes on Railway Buildings at Bangalore city Railway Station

The G^m^ states that for all the vacant lands situated at or near the Bangalore city Ry station, tax is being paid since the resumption of the Ry Station from the year 1938, as was being done by the M & S M Ry under the Govt of India Ry Act, prior to resumption; and that the Auditor is of opinion that the vacant Ry lands at Bangalore city are not liable to municipal taxation in accordance with the Govt Notification no R S 1874-83 d 2-3-29, and G.O no R S 182 dated 29/30-7-30

2 It is stated that the taxes paid on vacant lands to end of 1941-42 are as follows:—

1937-38	Half year	Rs 110/-
1938-39	Full year	" 220/-
1939-40	"	" 220/-
1940-41	"	" 220/-
1941-42	"	" 220/-
		990/-

3 The amount of tax to be paid for the year 1942-43 is stated to be, including Education cess, Rs 245/- and the total in all works up to Rs 1235/14/1.

4 The G^m^ therefore requests sanction of Govt for the refund of the taxes already paid by the Railway to end of 1941-42, as also to exempt the Railway Department from paying municipal taxes on vacant lands.

Municipal taxes on Railway buildings at Bangalore

Continuation Sheet.

File No 793 of 793 Page
Current No

and other places

5 The contention of the Ry. M would appear to be in order inasmuch as the Secretary to Govt Law Deptt has already opined that the Ry Deptt cannot be called upon to pay taxes on vacant lands belonging to it

6 This may therefore be referred to the Law Deptt (R & G) for favour of instructing the Bangalore city municipality to refund the taxes in question which were collected contrary to the Govt. orders Nos. R & G. 18 dated 30-7-30 ~~appro~~ etc. taxes not leviable on vacant lands belonging to the Ry deptt by any municipality as per G O dated 30-7-30 This may be referred to the Law Deptt for issuing necessary instructions to the Bangalore city Municipality.

Ry. Secy) 30/7

8 Law Secy to put up for favour of disposal as at A

31/7/42

31-7-42

2 Secretary to Govt Law Dept

Attached to appeal the files will be referred directly to the M Commr for favour of his remarks

3/8

Law Secy to A will indicate, if appeal

3-8-42

793/L

1) Forwarded unofficially with compliments to the Municipal Commissioner for remarks, if any, which he may desire to offer.

Sd/- Financial Adviser
Sd/- Secretary to Govt
Sd/- Law Dept

Returned with compliments.

2) The main contention of the Railway Authorities No RA 1874-83/2-3-Dy specifies that only buildings belonging to them are liable to municipal taxation and that the vacant lands at or near the City Railway station belonging to the Railway are not liable to taxation. They further state that as per letter No Rs 182/307-30, the vacant lands are not liable to taxation

3) The notification relates only to buildings belonging to the Railways and does not exempt the vacant land from payment of municipal taxes. Nor does the City Municipalities Act contemplate any such exemption. The assessment is levied under Section 64(6)(1) of the said Act and the Schedule I thereunder.

4) The duties on vacant lands were being realised from the beginning

Continuation Sheet. File No / Current No 7[illegible]/L. of Page

[illegible] the M S M Company And the Bangalore Railways have also paid the taxes upto the end of 1941—42.

4. It is also clear from the records that the vacant lands are solely used for railway purposes as in the case of the tracks and the adjoining lands but that they have been leased out to private parties.

5. In these circumstances I am of opinion That the vacant lands belongs to the Railways are liable to taxation

P Ramaswamy Iyer
10/11/43

Cor
10/11/43

Cor
11/11/43

Submitted for orders.

13/11 6. The Superintendent, Railway Section will please see me. with the file leading to the issue of Notfn No Rev 1874-83 dated 2 3 1925 and (3) the Sec 117 of the Railway Act

Sd
19/11/43

7. The records show that the tax on vacant lands — now under dispute — was being paid by the M & M Railway Company to the Bangalore City Mcp prior to the year 1938 and after

resumption of the Bangalore City Railway, the authorities of the Mysore Railway have continued to pay the land tax up to the end of 1941-42 Relying on the ruling given in Govt no R S 18-2 dated 29/30 7 1930, it is now contended that as per the notification no R S 1874-83 dated 2 3 1929, the Mysore Railways are liable to pay tax only in respect of the buildings belonging to the undertaking of the Mysore Railway Dept, and not in respect of Vacant lands belonging to the Railway Dept. It is stated that, in pursuance of this order of 29/30 7 1930, the Mysore city which has not been claiming taxes on vacant lands under the control of the Railway Dept

2 The Municipal Govt. however contends that no specific exemption has been granted in favour of the Railway Dept. from the payment of such taxes in respect of vacant lands under the powers of Sec 64 of the Mysore City Municipal Act 1922 that the vacant land tax is leviable under clause (b) (1) of the said Section that the Railway department is liable the tax on grounds, which it is done,

to the end of the year 1941-42. It has also stated that these vacant lands have been leased out to outsiders for rent. The Railway dept. is evidently deriving some benefit out of the said lands.

2) Having regard to the fact that the M S M Railway Co. have paid the tax on these vacant lands in the past and as the exemption from payment of taxes under the city rates Act of 1933 in respect of these lands, it seems that the Bypass Railways have to continue to pay the said taxes. The payment will have to be regularised by amending the notification no R-S 18 39-83 / dated 2-3 1939 by including the words "vacant land" between the word "on" & "houses" occurring in the fifth line of the said notification.

For orders

Law Officer 26/11/42

S 308
26/11/42

3) The concession made in a Notification issued under S 117(1) of the Mysore Rys Act cannot be taken advantage of nor can it be binding on the Municipal Council. The tax which was

Municipal Taxes on Rly buildings at Bangalore

Continuation Sheet 79 | File No / Current No | of | Page)

23 The jurisdiction over the Bangalore City Railway Station still rests with the Government of India, and the Indian Railway Act and the Notifications issued thereunder are applicable in this case.

24 The payment of Municipal tax is governed by the Railway Board Notification No 260, dated 24-8-1911 according to which, the vacant land tax is not payable

25 The vacant land tax, paid by the M & S M Railway while the Bangalore City station was under their management and which was continued to be paid by the Mysore State Railway till the end of the year 1941-42 is evidently due to inadvertance

26 The vacant land tax hither-to recovered by the Bangalore City Municipality from the Mysore State Railway contrary to the Government of India Notification dated 24-8-1911; has therefore, to be refunded to the Railway Department

2) The Notification of 29th March 29 has been Cancelled by the Govt in 29 7.30 according to which Mysore Railways are liable to pay taxes only in respect of buildings as defined in Sec 3 Cl 6 of Municipal Regulations and Hence that the Mysore Railways Cannot be called upon to pay taxes on Vacant Lands. So the Municipality Cannot levy taxes on Vacant Lands. It is however not necessary to ask for the Refund of the taxes already paid due to [illegible] in advertance. Hereafter No tax need be levied on Vacant Lands belonging to the Railways

GOB
20.12.47

(2)
4/11
for 4/11/47

[illegible])

2) The notification of 2 3 29 does not mention the taxes payable on the vacant lands of the Railways this is perhaps an omission as the Municipality is entitled to tax on the vacant lands as well as buildings when the lands are being used for

Municipal taxes on Govt buildings.

Continuation Sheet. File No / Current No 17-3 of Blore of Page

Hon Consgl I think it may be necessary to amend the above notification so as to remove the doubt also

Secy

Secy

30 Files containing recent discussions on the general question of liability of Govt to pay local taxes may be put up

31 — Rule 97 of the rules governing the Bangalore Municipal council to levy taxes on house & vacant lands etc

OFFICE OF THE MINISTER FOR L S G & P H Date 6.1.1944 No. 4326

Mlle 6/1/44

Secy 6/1/44

32) Sir Kindly arrange available the references required above in para 30 supra

Asst Secy (Asst Secy for subsidiary work) for Mlle 6/1/44

33) Railway Secretariat papers referred to above, are here with put up duly flagged. Vide flags Q Z, S + H

Asst Secy DS & Mlle

DO 10/1

Secy 11/1

Secy X X X for 11/1/44

34) Ruled A copy of the Rules & Bye laws of the Bangalore City Mcpl is put up.

Municipal Taxes on Railway Buildings at Bangalore

Continuation Sheet | File No / Current No 793/2 | of | Page

Kind reference is invited to Schedule "A" on Page 47 relating to the levy of taxes on Buildings & Vacant Lands (vide pgs 41 to 47 of the Act)

WKS 12/1/43

35) The references required at para 30 (a) of the notes supra are submitted

Law Dept 15/1/44

36) Submitted with the required Index

Gowan

Cm 18-1-44 for

37) There is no legal or other justification for levying a municipal tax on vacant lands as the possession of Ry administration. The point was agreed as long back as 1929-1930

38) I agree with the Member for W & Rys in the views expressed by him in para 28

Mem 20/1/44

Cm 21-1-44 for

39) Member S&G

40) [illegible]

26/1/44

Cm 25-1-44

Municipal taxes on Railway Buildings at Bldr

793
L

Draft reply as cordd

for
25/1 44

41) Submitted with a draft letter for appl

Law Secy 26/1/44
26/1

7083

42) For perusal before issue 27-1-44

27 JAN 1944
GOVERNMENT OF MYSORE

Asst Secy Railways 27/1 44) for 27/1 44

43) Submitted for perusal

663/179

Draft for Secy 29/1/44

Ref para 2827 ante

OFFICE OF THE MINISTER FOR PUBLIC WORKS
31 JAN 1944
4699
No

RAILWAY SECTT
3-2-44

D 179

Asst Secy L S & W/C 3/2

3/2/44

TYPIC SECTION
5 FEB 44
GP I & H I SECTT

To The mc Comm, Bdg thro DPS
NO L 8277 Dy 12-2-44

Directs that the levy of tax on vacant lands be discontinued etc

To The GE Manager, Mysore Railways.
" Comptroller
" Secy to Govt Rly Deptt
NO L 8278, 8279 & 8280 Dy 12-2-44
Forwards a copy of the above

MSRM—G 42—3 500—23 9 1

A L COMMUN CAT ON SHOULD B ADDRES ED TO THE G NERA MANAGER MYSORE STA E RA LWAY MYSORE BY TITLE NOT BY NAME

MYSORE STATE RAILWAY

Te Addr — STATERAIL
T hon Pe onal 223
No Office 395

GENERAL MANAGER S OFFICE

Rel 101-43-19

20 JUL 1943

Mysore 19 July 194 3.

No A 83 /Fl

Encls Copies of Six Letters

From

THE GENERAL MANAGER
MYSORE STATE RAILWAY,
MYSORE

To

The Secretary
to the Government of His Highness
The Maharaja of Mysore, Railway Department,
Bangalore

Sir,

Municipal taxes on Railway buildings at Bangalore

I have the honour to state that the Chief Engineer reports that for all the vacant lands situated at and near the -- Bangalore City Railway Station, tax is being paid since -- resumption (1938) as was done by the M&S M RY, under the Government of India Railway Act, prior to resumption

The Auditor, Mysore State Railway is of opinion that the vacant Railway lands at Bangalore are not liable to -- Municipal taxation in accordance with the Government Notification No R S 1874-83 dated 2-3-29 and further G O No R S 182 dated 29/30-7-30 (Vide copy of Auditor's letter No XE. 3056 dated 10/3/43 along with copies of enclosures)

The total taxes on vacant lands paid to end of 1941-42 are noted as under -

1937-38	half year	Rs 110/-
1938-39	Full year	Rs 220/-
1939-40	" "	Rs 220/-
1940-41	" "	Rs 220/-
1941-42	" "	Rs 220/-

The amount of tax to be paid for 1942-43 is Rs 245/- (including Education cess)

SECRETARY TO GOVERNMENT * RAILWAY ELECTRICAL * Date RY

In the circumstances, I request you to be so good as to obtain sanction of Government for the refund of Municipal taxes already paid by the Railway Department in Bangalore City till 1941-42 and to exempt this -- Department from paying Municipal taxes on vacant lands

at Bangalore City and all other places as stipulated in the Government Order of 30-7-1930 referred to.

I have the honour to be,

Sir,

Your most obedient servant,

R.N. Murthy 19

General Manager.

ksc

Copy of letter No XE 3056 dated 10th March 1943 from the Auditor, Mysore State Railway, Mysore, to the General Manager, Mysore State Railway, Mysore

Re Municipal Taxes on vacant lands at Bangalore

With reference to correspondence ending with this office No 1885 dated 8/12/1942, I beg to forward herewith copies of the marginally noted correspondence on the above subject and to observe that Government Order Nos. R S 182/Fl 80/G dated 29/30th July 1930 and R S 1874-83 dated 2nd March 1929 are clear that the vacant lands are not liable to Municipal taxation The District Engineer, Bangalore, states that the question of vacant lands was taken up by this office and after considerable correspondence, the Revenue Officer replied that no exemption can be granted for vacant lands which were sublet to others for rent The Chief Engineer states that tax on vacant lands is being paid by us (as per payments being made by M S M Ry also) since resumption under the Government of India Railway Act and that as the jurisdiction is not yet given over to Mysore Government, the rule as contemplated in Section 117 of the Railway Regulation in force in the Mysore City Municipality does not apply in the case of Bangalore City The lands at Bangalore City are owned by our Government and with the resumption of company worked lines from 1st January 1938, all lands situated at and near Bangalore City Railway Station have been handed over to us and we have been paying municipal taxes on buildings and on vacant lands to the Bangalore City Municipality from 1st January 1938 The Government Order of 1930 is quite specific that vacant lands are not assessed to municipal tax and

B 1) This office No XE/4227 dated 16/6/1942 to the D E/SBC
B 2) D E /SBC's No 70 dated 10/7/42
A 3) This office No XE/793 of 7/9/42 to the D E/SBC
A 4) D E /SBC's No 70/1483 of 20/22-10-42
A 5) D E/SBC's No 2356 of 23/26-12-1942
A 6) C E's No 6968 of 30/12/1942/2-1-43

as per this order, the Mysore City Municipality has not been claiming taxes from 1928-29. When similar conditions prevail in respect of lands situated at Mysore and no taxes are being claimed from that Municipality, the contention of the Bangalore-City Municipality that no exemption can be granted in this behalf merely because the M&S M Ry Co were paying such taxes prior to resumption and that the same procedure is being continued -- even now, is not in order

I request that you may kindly go up to Government and get a refund of what has been paid and exemption from such demands in future

---

Letter No XE 4227 dated 16/6/1942 from the Auditor, Mysore State Railway, Mysore, to the District Engineer, Mysore State Railway, Bangalore

---

Your No 70/SBC dated 6/6/1942 Bill for Municipal taxes of Bangalore City for the year 1941-42

With reference to the above, I beg to state that the bill of Municipality for Rs 8,436-14-10 as accepted by you in respect of the above charges has been passed for payment as desired by you, pending receipt of information as to why the Railway Department is made to pay Municipal taxes on vacant lands when it has been definitely stated in Government Order No R S 182/ Fl 80 G dated 29/30-7-30(copy enclosed) that the Mysore Railways cannot be called upon to pay taxes on vacant land belonging to the Railway Department

It may also be stated how the question of payment of non-payment of the taxes on vacant lands raised by you in your letter No 219/SBC 560 dated 16/19-8-42 has been finally settled

An early reply is requested

(SD) S K Ranganarasimhachar,
Superintendent, Expenditure Section

Letter No 70SBC/173 dated 10/7/1942 from the District Engineer, Mysore State Rly Bangalore, to the Auditor, Mysore State Ry Mysore

---

Bill for Municipal taxes of Bangalore City for the year 1941-42

Your No XE/4227 of 16/6/1942

With reference to your above, I beg to state that Municipal taxes at Bangalore City are paid by us on the basis of taxes paid by the M&S M RY prior to resumption of lines

Further, the vacant lands for which taxes are paid are those leased out to outsiders for rent

(Sd)---
Supdt Expenditure Section

ksc

Letter No XE 793 dated 7/9/1942 from the Auditor, Mysore State Ry Mysore, to the District Engineer, Mysore State Railway, Bangalore

---

Your No 70SBC/173 dated 10/7/1942 re Bill for Municipal taxes of Bangalore City

---

With reference to the above informing this office that the Municipal taxes at Bangalore City are paid by us on the basis of taxes paid by the M S M.RY, prior to resumption of lines, etc, I beg to state that it is seen from the several Govt orders issued so far that taxes payable are only on the buildings and not on the vacant lands Please send copies of references, if any, in support of your statement that M S M RY was paying taxes on vacant lands in the past

---

Letter No 70/SBC/1483 dated 20/22-10-42 from the District Engineer, Mysore State Railway, Bangalore, to the -- Auditor, Mysore State Rly Mysore

---

Re Taxation of Railway buildings at Bangalore City

Your letter No XE/793 of 7-9-1942

--

With reference to your above, I beg to forward herewith a copy of letter No B2 PR 42/42-43 of 9/10/1942 received from the Revenue Officer, City Municipality, Bangalore City, which is self explanatory As already stated in this office letter No 173 of 8/10-7-1942, the vacant lands for which taxes are claimed are those leased to outsiders for rent

---

Letter No 2356/F1 70/SBC dated 23/26-12-1942 from the District Engineer, Mysore State Railway, Bangalore, to the Auditor, Mysore State Ry Mysore

---

Taxation of Railway buildings at SBC your No XE 1885 dated 8/12/1942 re Municipal taxes on vacant lands

---

I beg to state that as already mentioned, the procedure adopted in respect of Municipal taxes at Bangalore City was on the basis of payments made by the M S M Railway prior to resumption of lines, but with an additional item viz,

General Sanitary cess, which was ordered to be paid in Government's letter No R S 3769 dated 16/1/1941

However, the question of vacant lands, was taken up by this office, and after considerable correspondence, the Revenue Officer replied that no exemption could be granted for vacant lands which were sublet to others for rent

Your office was therefore advised in this office letter No 219 SBC/2958 of 11-2-1941 to include in the statement of of Municipal taxes, details of taxes due for vacant lands The claim was accepted and payments also made It was not pointed out then or subsequently, that we should insist on the exemption being granted in the light of the Government order now referred to by you,

If you, however, desire that the question may be pursued further, kindly send copy of G O No R S 1874-83 of 2-6-1929 together with an extract of Sec 177 of the Railway Act

Letter No 6468 dated 20/12/42-1-43 from the Chief Engineer, Mysore State Ry Mysore, to the Auditor, Mysore State Ry Mysore

---

Re Taxation of Railway buildings at SBC

With reference to your letter No XE 1885 dated 5-12-1942, to the District Engineer, Bangalore, copied to me, I beg to state that tax on vacant land is being paid by us(as per payments being made by M&S M Ry also) since resumption, under the Government of India Railway Act As the jurisdiction is not yet given over to Mysore Government, the rule as contemplated in section 117 of the Railway Regulations, in force in the Mysore City Municipality does not apply in the case of Bangalore City I am to request you under the circumstances kindly to advise if in the light of the above, the question has still to be pursued with the -- Bangalore City Municipality

---

Sd/-
Superintendent, Expenditure Section

KSC

C Jones

hg

Appendix F G —1]

SUBJECT

Section ML
File No 101-43
Serial No 20

Diary No of letter replied to

No L8277

To

The ML Commr, Bang. thro DOL

General and Revenue Secretariat

( )

the *194*

Sir,

I am directed to state that the General Manager, Mysore State Railway, Mysore has brought to the notice of Govt that the Bangalore city ML CL have been levying taxes on vacant lands situated at and near the Bangalore city Railway Station and has requested that such Vacant lands may be exempted from ML taxation The question

Date of issue 12/2

Signed by

List of enclosures

Copied by 8/2/44

Examined by

WD 04161—GPB—60 000—24 10 41

was examined in detail with reference to the existing orders on the subject. Govt consider that, in view of the fact that the notification No R.S 1874-83 of 2nd March 1929 has been clarified by the G.O No R.S 182 Dy 29/30-7-1930, the Mysore Railways are liable to pay mal tax only in respect of buildings belonging to or under the management of the Railway Deptt & that there is no legal or other justification for the present levy of mal tax on Vacant lands in the Possession of the Railway administration. & that the levy of taxes on the latter may therefore be discontinued hereafter in this behalf and the demand, if any outstanding, withdrawn also. I am, however, to add that the taxes so far recovered on Vacant lands from the Railway Deptt need not be refunded

I have etc
for Secy to Govt
Law Deptt

Memo No L 8278 Dy
Copy of the above is forwarded with compliments to the General Manager, Mysore State Railway Mysore, for info with reference to his letter No A83 Dy 19-7-43

By order
for Law secy to Govt

Memo No L 8279 Dy
Ch copies of the above are forwarded with compliments

G R S App F G 3

GENERAL AND REVENUE SECRETARIAT

(*Continuation sheet draft form*)

to the Comptroller to Govt for information
By order
etc
Memo no L 1280 dy

Copies of the above are forwarded with compliments to the Secy to Govt, Rly Deptt for information The marginally noted reference collections obtained from his office are herewith returned

By order
for Secy to Govt
Law Deptt
26/1

to (1) File No 80/g of 1912-13 (Sls 1-21) ✓
(2) " 80/g of 20-21 (21-23) ✓
(3) " 80/g of 27-28 (29) ✓
(4) " 80/g of 30-31
(5) " 80/g of 35-36 ✓
(6) " 80/g of 37-38 ✓
(7) " 80/g

WD 08603—GPB—15 000—8-7 35